

IN THE MATTER OF:) ADMINISTRATIVE SETTLEMENT
) AGREEMENT FOR THE RECOVERY
) OF PAST RESPONSE COSTS
)
Denova Environmental Superfund Site) U.S. EPA Region 9
Rialto, San Bernardino County, California) CERCLA Docket No. 2005-23
)
) PROCEEDING UNDER SECTION
) 122(h)(1) OF CERCLA
Settling Parties listed in Appx. A) 42 U.S.C. § 9622(h)(1)
)

I. JURISDICTION

1. This Administrative Settlement for the Recovery of Response Costs (the "Settlement Agreement") is entered into by the United States Environmental Protection Agency ("EPA"), the County of San Bernardino Consolidated Fire District through its governing body, the County of San Bernardino Board of Supervisors ("County") and the Settling Parties identified in Appendix A, attached and incorporated into this Settlement Agreement (collectively, the "Settling Parties," each individually a "Settling Party"). This Settlement Agreement concerns the removal action at the Denova Environmental Superfund Site, 2610 North Alder Ave, Rialto, San Bernardino County, California (the "Site").

2. This Settlement Agreement is entered into under the authority vested in the President of the United States by Section 122(h)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"), 42 U.S.C. § 9622(h)(1), which authority has been delegated to the Regional Administrators of the EPA by EPA Delegation No. 14-14-D and redelegated to the Superfund Branch Chiefs pursuant to Regional Delegation 1290.20 (September 29, 1997).

3. This Settlement Agreement is entered into by the County through its governing body, the County of San Bernardino Board of Supervisors.

4. EPA has notified the State of California of this action.

5. Settling Parties agree to comply with and be bound by the terms of this Settlement Agreement and further agree not to contest the basis or validity of this Settlement Agreement or its terms in any proceedings to enforce this Settlement Agreement.

6. EPA and the County have incurred response costs at or in connection with the Site. EPA has determined that the total past and projected response costs of the United States at or in connection with the Site exceed \$500,000, excluding interest.

II. BACKGROUND

7. This Settlement Agreement concerns the Denova Environmental Superfund Site located at 2610 North Alder Ave, Rialto, San Bernardino County, California.

8. The Site has been subject to CERCLA emergency and time critical response actions. The Site was historically utilized to store and transfer for off-site treatment and/or disposal, hazardous materials, hazardous wastes, and explosives.

a. On March 14, 2001, EPA's Emergency Response Section and the Bureau of Alcohol, Tobacco, and Firearms identified six containers of highly explosive and shock-sensitive tetrazene, a hazardous substance, at the Site. On June 12, 2001, the EPA Response, Planning and Assessment Branch Chief signed an Action Memo documenting that conditions at the Site met the criteria for a removal response action as outlined at Section 300.415(b)(2) of the National Contingency Plan ("NCP"). On June 14, 2001, EPA initiated a removal action at the Site to destroy these highly explosive hazardous substances.

b. On May 28, 2002, EPA's Emergency Response Section returned to the Site to address improperly stored hazardous materials and explosives. EPA's On Scene Coordinators ("OSCs") observed the following conditions at the Site:

i. The Site occupied approximately 20 acres and was divided into three sections. The northern most section contained a blast pit that was formerly permitted for the destruction of certain explosive wastes. The middle section ("hazmat yard") contained six mobile concrete bomb shelters and nineteen conex shipping containers containing an array of wastes. The southern section ("explosive yard") contained fifteen partially buried explosive storage magazines, approximately eight mobile explosive storage boxes, and eight conex boxes all of which contained and stored explosive, propellant and ordnance products.

ii. The hazmat yard included approximately 750 containers stored in nineteen conex boxes ("bays"), fifty 55-gallon drums containing a variety of acidic, corrosive, and flammable wastes, six mobile concrete bomb shelters containing highly explosive materials, and a blast pit. Hazardous substances identified in the bays included, but were not limited to, mercury, phosphoric acid, picric acid, nitric acid, sulfuric acid, acetic acid, hydrochloric acid, hydrofluoric acid, ethylene bromide, formaldehyde, toluene diisocyanate, lead styphnate, red phosphorus, and chlorine gas.

iii. Approximately 550,000 pounds of explosives were located on the Site.

iv. There were several residential neighborhoods within close proximity to the Site. In the event of an explosion, these residents could have been exposed to hazardous substances which pose a significant human health threat through inhalation or dermal contact.

c. EPA determined that the removal of hazardous substances from the Site was necessary in order to mitigate the imminent threat of release of hazardous substances into the local community and environment. On June 4, 2002, EPA's Response, Planning and Assessment Branch Chief signed an Action Memo documenting that conditions at the Site met the criteria for an emergency response removal as outlined at Section 300.415(b)(2) of the NCP.

d. From September 3, 1999, through the completion of EPA's removal response, the County responded to emergency situations associated with hazardous wastes stored at the Site. Such emergency situations included chemical reactions resulting in explosions, fires, off-gassing materials, pressurized containers and injured personnel. The County also performed identification and render-safe operations for unstable chemicals, and sampled and monitored for hazard identification and mitigation actions.

e. As a matter of practice, the operator of the Denova facility commingled hazardous wastes, placed commingled wastes in drums or other containers which may or may not have been properly labeled, and allowed labels to fall off or fade beyond recognition. Often, the labels did not accurately identify the waste stream contained within the drum or container.

f. Manifests for the transportation of hazardous substances coming to the Site indicate that the Settling Parties arranged to send hazardous substances to the Site that were managed in the hazmat yard. Settling Parties represent that they did not arrange for the storage or disposal of explosives or explosives waste materials at the Site, including any explosive materials containing or associated with perchlorate.

g. As part of EPA's actions on the Site, all containerized and surface hazardous substances found on the Site were removed. The Site now is being developed for commercial use. No additional response actions at the hazmat yard are planned as of the Effective Date of this Settlement.

9. In performing the response action, EPA and the County have incurred response costs at or in connection with the Site.

10. EPA and the County allege that Settling Parties are responsible parties pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), and are jointly and severally liable for response costs incurred or to be incurred at or in connection with the Site. Settling Parties contend that any materials they sent to the Site had been removed from the Site prior to EPA's actions, and were not part of the response and/or removal action.

11. EPA, the County and Settling Parties recognize that this Settlement Agreement has been negotiated in good faith and that this Settlement Agreement is entered into without the admission or adjudication of any issue of fact or law.

III. PARTIES BOUND

12. This Settlement Agreement shall be binding on EPA and the County, and on each Settling Party and their respective successors and assigns. Any change in ownership or corporate or other legal status of any Settling Party, including but not limited to, any transfer of assets or real or personal property, shall in no way alter responsibilities under this Settlement Agreement. Each signatory to this Settlement Agreement certifies that he or she is authorized to enter into the terms and conditions of this Settlement Agreement and to legally bind the party represented by him or her.

IV. DEFINITIONS

13. Unless otherwise expressly provided herein, terms used in this Settlement Agreement that are defined in CERCLA or in regulations promulgated under CERCLA shall have the meanings assigned to them in CERCLA or in such regulations. Whenever terms listed below are used in this Settlement Agreement or in any appendix attached hereto, the following definitions shall apply:

a. "CERCLA" shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq.

b. "County" shall mean the San Bernardino County Consolidated Fire District.

c. "Day" shall mean a calendar day. In computing any period of time under this Settlement Agreement, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until the close of business of the next working day.

d. "Effective Date" shall be the effective date of this Settlement Agreement as provided in Section XVI.

e. "EPA" shall mean the United States Environmental Protection Agency and any successor departments, agencies or instrumentalities of the United States.

f. "Interest" shall mean interest at the rate specified for interest on investments of the EPA Hazardous Substance Superfund established by 26 U.S.C. § 9507, compounded annually on October 1 of each year, in accordance with 42 U.S.C. § 9607(a). The applicable rate of interest shall be the rate in effect at the time the interest accrues. The rate of interest is subject to change on October 1 of each year.

g. "National Contingency Plan" or "NCP" shall mean the National Oil and Hazardous Substances Pollution Contingency Plan promulgated pursuant to Section 105 of CERCLA, 42 U.S.C. § 9605, codified at 40 C.F.R. Part 300, and any amendments thereto.

h. "Paragraph" shall mean a portion of this Settlement Agreement identified by an Arabic numeral or a lower case letter.

i. "Parties" shall mean EPA, the County and the Settling Parties listed in Appendix A.

j. "Past Response Costs" shall mean any and all direct and indirect costs incurred by EPA and/or the County through the Effective Date of this Settlement Agreement at or in connection with the Site including, without limitation, any costs for investigative, removal and/or response work. These Past Response Costs shall include, but are not limited to, direct and indirect costs, that the County, EPA or the U.S. Department of Justice on behalf of EPA has incurred and/or paid at or in connection with the Site for the removal action described in the action memoranda for the Site dated June 12, 2001, June 4, 2002, August 26, 2002, and March

26, 2003, through the Effective Date of this Settlement Agreement plus accrued Interest on all such costs.

k. "Section" shall mean a portion of this Settlement Agreement identified by a Roman numeral.

l. "Settlement Agreement" shall mean this Settlement Agreement for the Recovery of Past Response Costs and any attached appendices. In the event of conflict between this Settlement Agreement and any appendix, the Settlement Agreement shall control.

m. "Site" shall mean the Denova Environmental Superfund Site, encompassing approximately 20 acres, located at 2610 North Alder Ave, Rialto, San Bernardino County, California, with the approximate latitude and longitude of North 34° 9' 17.5" and West 117° 24' 34.5".

n. "United States" shall mean the United States of America, including its departments, agencies and instrumentalities.

V. PAYMENT OF RESPONSE COSTS

14. Within thirty (30) days after the Effective Date of this Settlement Agreement, each respective Settling Party shall pay EPA and the County the amount set forth in Appendix A, attached and incorporated into this Settlement Agreement. All payments shall be accompanied by a notice statement identifying the name and address of the party making payment, the amount of the payment, the Site name (Denova Environmental), the EPA Region and Site/Spill ID Number (09JW), and the EPA docket number for this Settlement Agreement (Docket No. 2005-23). Payments to EPA shall be made by certified check or by Electronic Funds Transfer ("EFT") in accordance with current EFT procedures provided in Appendix B. Payments to EPA by certified check and notices of payments shall be made to:

EPA Superfund Region 9
Attn: Superfund Accounting
Denova / Rialto Colton Plume Special Account
P.O. Box 360863M
Pittsburgh, PA 15251

Payments to the County shall be made by certified check and all payments shall be accompanied by a notice statement identifying the name and address of the party making payment, the amount of the payment, the Site name (Denova Environmental), the EPA Region and Site/Spill ID Number (09JW), and the EPA docket number for this Settlement Agreement (Docket No. 2005-23). Payments by certified check and notices of payments shall be made to:

San Bernardino County Consolidated Fire District
Office of the Fire Marshal
620 South "E" Street
San Bernardino, California 92415

15. At the time of payment, each Settling Party also shall send notice that payment has been made to EPA and the County at the following addresses:

David Wood
Superfund Accounting (PMD-6)
U.S. Environmental Protection Agency
75 Hawthorne Street
San Francisco, CA 94105

San Bernardino County Consolidated
Fire Department
Office of the Fire Marshall
620 South "E" Street
San Bernardino, CA 92415

Such additional notice shall reference the name and address of the party making payment, the amount of the payment, the Site name (Denova Environmental Site), the Site ID Number (09JW) and the EPA docket number for this action (Docket No. 2005-23).

16. The amounts paid pursuant to Paragraph 14 by Settling Parties to the United States EPA shall be deposited at EPA's discretion in the Denova Site Special Account or the Rialto Colton Plume Site Special Account within the EPA Hazardous Substance Superfund. These Special Accounts shall be retained and used to conduct or finance response actions at or in connection with the Denova Site or the Rialto Colton Plume Site, or may be transferred by the EPA from these Special Accounts to the EPA Hazardous Substance Superfund.

VI. FAILURE TO COMPLY WITH THE SETTLEMENT AGREEMENT

17. Interest on Late Payments. If a Settling Party fails to make its respective payment required by Paragraph 14 by the required due date, Interest shall accrue on any unpaid balance through the date of final payment.

18. Stipulated Penalty.

a. If any respective payment due to EPA under Paragraph 14 is not paid by the required date, the respective Settling Party shall be in violation of this Settlement Agreement and shall pay to EPA, as a stipulated penalty, in addition to the Interest required by Paragraph 17, \$200.00 per day that such payment is late.

b. Stipulated penalties are due and payable within 30 days of the date of demand for payment of the penalties by EPA. All payments to EPA under this Paragraph shall be identified as "stipulated penalties" and shall be made payable to "EPA Hazardous Substance Superfund." The check, or a letter accompanying the check, shall reference the name and address of the party making payment, the Site name (Denova Environmental Site), the Site ID (09JW), and the EPA Docket Number for this action (Docket No. 2005-23). The payment and notice for stipulated penalties shall be directed to:

EPA - Cincinnati Accounting Operations
Attention: Region 9 Receivables
P.O. Box 371099M
Pittsburgh, PA 15251

c. At the time of each payment, a notice also shall be sent as directed in Paragraph 15.

d. Penalties shall accrue as provided in this Paragraph regardless of whether EPA has notified the Settling Party of the violation or made a demand for payment, but need only be paid upon demand. All penalties shall begin to accrue on the day after payment is due and shall continue to accrue through the date of payment. Nothing herein shall prevent the simultaneous accrual of separate penalties for separate violations of this Settlement Agreement.

19. In addition to the Interest and stipulated penalty payments required by this Section and any other remedies or sanctions available to EPA by virtue of a Settling Party's failure to comply with the requirements of this Settlement Agreement, if a Settling Party defaults by failing or refusing to comply with the requirements of this Settlement Agreement, EPA may seek to enforce this Settlement Agreement against that defaulting Settling Party in accordance with Section 122(h)(3) of CERCLA, 42 U.S.C. § 9622(h)(3). If the United States, on behalf of EPA, brings an action to enforce this Settlement Agreement against such defaulting Settling Party, that defaulting Settling Party shall reimburse the United States for all costs of such action, including but not limited to costs of attorney time.

20. Notwithstanding any other provision of this Section, EPA may, in its unreviewable discretion, waive payment of any portion of the stipulated penalties that have accrued pursuant to this Settlement Agreement. Payment of stipulated penalties shall not excuse any Settling Party from any other obligation required by this Settlement Agreement.

VII. COVENANT NOT TO SUE BY EPA AND THE COUNTY

21. Except as specifically provided in Section VIII (Reservations of Rights), EPA covenants not to sue or to take administrative action against any of the Settling Parties, individually or collectively, pursuant to Section 107(a) of CERCLA, 42 U.S.C. §9607(a), for Past Response Costs. This covenant shall take effect as to each individual Settling Party upon receipt by EPA of all amounts that each Settling Party is required to pay under Section V (Payment of Response Costs) and any amounts due under Section VI (Failure to Comply with Settlement Agreement). This covenant not to sue is conditioned on the satisfactory performance by each Settling Party of its respective obligations under this Settlement Agreement. This covenant not to sue extends only to the Settling Parties and does not extend to any other person.

22. Except as specifically provided in Section VIII (Reservations of Rights), the County covenants not to sue any of the Settling Parties, individually or collectively, pursuant to Section 107(a) of CERCLA, 42 U.S.C. §9607(a), for Past Response Costs. This covenant shall take effect as to each individual Settling Party upon receipt by the County of all amounts that each Settling Party is required to pay under Section V (Payment of Response Costs). This covenant not to sue is conditioned on the satisfactory performance by each Settling Party of its

respective obligations under this Settlement Agreement. This covenant not to sue extends only to the Settling Parties and does not extend to any other person.

VIII. RESERVATIONS OF RIGHTS BY EPA AND THE COUNTY

23. EPA and the County reserve, and this Settlement Agreement is without prejudice to, all rights against Settling Parties with respect to all matters not expressly included within the Covenant Not to Sue by EPA and the County in Section VII. Notwithstanding any other provision of this Settlement Agreement, EPA reserves all rights against Settling Parties with respect to:

- a. liability for failure of any Settling Party to meet a requirement of this Settlement Agreement;
- b. liability for costs incurred or to be incurred by the United States that are not within the definition of Past Response Costs;
- c. liability for injunctive relief or administrative order enforcement under Section 106 of CERCLA, 42 U.S.C. § 9606;
- d. criminal liability; and
- e. liability for damages for injury to, destruction of, or loss of natural resources, and for the costs of any natural resource damage assessments.

24. The County reserves all rights against Settling Parties with respect to:

- a. liability for failure of any Settling Party to meet a requirement of this Settlement Agreement; and
- b. liability for costs incurred or to be incurred by the County that are not within the definition of Past Response Costs.

25. Nothing in this Settlement Agreement is intended to be nor shall it be construed as a release, covenant not to sue, or compromise of any claim or cause of action, administrative or judicial, civil or criminal, past or future, in law or in equity, which the United States or the County may have against any person, firm, corporation or other entity that is not a signatory to this Settlement Agreement.

IX. COVENANT NOT TO SUE BY SETTLING PARTIES

26. Each Settling Party covenants not to sue and agrees not to assert any claims or causes of action against the United States and the County, or their contractors or employees, with respect to Past Response Costs or this Settlement Agreement, including but not limited to:

- a. any direct or indirect claim for reimbursement from the EPA Hazardous Substance Superfund based on Sections 106(b)(2), 107, 111, 112, or 113 of CERCLA, 42 U.S.C. §§ 9606(b)(2), 9607, 9611, 9612, or 9613, or any other provision of law;

b. any claims arising out of the response actions at the Site for which the Past Response Costs were incurred, including any claim under the United States Constitution, the Constitution of the State of California, the Tucker Act, 28 U.S.C. § 1491, the Equal Access to Justice Act, 28 U.S.C. § 2412, as amended, or at common law; and

c. any claim against the United States or the County pursuant to Sections 107 and 113 of CERCLA, 42 U.S.C. §§ 9607 and 9613, relating to Past Response Costs or this Settlement Agreement.

27. Nothing in this Settlement Agreement shall be deemed to constitute approval or preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, or 40 C.F.R. 300.700(d).

28. Each Settling Party agrees not to assert any claims and to waive all claims or causes of action that it may have for all matters relating to the Site, including for contribution, against any person where the person's liability to such Settling Party with respect to the Site is based solely on having arranged for disposal or treatment, or for transport for disposal or treatment, of hazardous substances at the Site, or having accepted for transport for disposal or treatment of hazardous substances at the Site, if all or part of the disposal, treatment, or transport occurred before April 1, 2001, and the total amount of material containing hazardous substances contributed by such person to the Site was less than 110 gallons of liquid materials or 200 pounds of solid materials.

29. The waiver in Paragraph 28 shall not apply with respect to any defense, claim, or cause of action that a Settling Party may have against any person meeting the above criteria if such person asserts a claim or cause of action relating to the Site against such Settling Party. This waiver also shall not apply to any claim or cause of action against any person meeting the above criteria if EPA determines:

a. that such person has failed to comply with any EPA requests for information or administrative subpoenas issued pursuant to Section 104(e) or 122(e) of CERCLA, 42 U.S.C. §§ 9604(e) or 9622(e), or Section 3007 of RCRA, 42 U.S.C. § 6972, or has impeded or is impeding, through action or inaction, the performance of a response action or natural resource restoration with respect to the Site, or has been convicted of a criminal violation for the conduct to which this waiver would apply and that conviction has not been vitiated on appeal or otherwise; or

b. that the materials containing hazardous substances contributed to the Site by such person have contributed significantly, or could contribute significantly, either individually or in the aggregate, to the cost of response action or natural resource restoration at the Site.

X. EFFECT OF SETTLEMENT/CONTRIBUTION

30. The Parties agree that this Settlement Agreement constitutes an administrative settlement for purposes of Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2), and that each Settling Party is entitled, as of the Effective Date, of this Settlement Agreement to protection from contribution actions or claims as provided by Sections 113(f)(2) and 122(h)(4) of

CERCLA, 42 U.S.C. §§ 9613(f)(2) and 9622(h)(4), for "matters addressed" in this Settlement Agreement. The "matters addressed" in this Settlement Agreement are the Past Response Costs.

31. The Parties agree that this Settlement Agreement constitutes an administrative settlement for purposes of Section 113(f)(3)(B) of CERCLA, 42 U.S.C. § 9613(f)(3)(B), pursuant to which each Settling Party has as of the effective date of this Settlement Agreement resolved its liability to the United States and the County for Past Response Costs. Settling Parties do not admit, and retain the right to controvert in any subsequent proceedings other than proceedings to implement or enforce this Settlement Agreement, the validity of the facts or allegations contained in Section II of this Settlement Agreement.

32. Except as provided in Section IX (Covenant Not to Sue by Settling Parties), nothing in this Settlement Agreement precludes the United States, the County or any Settling Party from asserting any claims, causes of action, or demands against any person not a party to this Settlement Agreement for indemnification, contribution, or cost recovery. Nothing herein diminishes the right of the United States, pursuant to Sections 113(f)(2) and (3) of CERCLA, 42 U.S.C. § 9613(f)(2)-(3), to pursue any such persons to obtain additional recovery of Response Costs or any response action, and to enter into settlements that give rise to contribution protection pursuant to Section 113(f)(2).

33. Except as provided in Paragraph 28 (Non-Exempt De Micromis Waiver), nothing in this Settlement Agreement precludes the United States, the County or any Settling Party from asserting any claims, causes of action, or demands against any persons not parties to this Settlement Agreement for indemnification, contribution, or cost recovery. Except as otherwise provided in this Settlement Agreement, the Parties expressly reserve any and all rights (including, but not limited to, any right to contribution), defenses, claims, demands, and causes of action that they may have with respect to any matter, transaction, or occurrence relating in any way to the Site against any person not a Party hereto.

34. Each Settling Party agrees that with respect to any suit or claim for contribution brought by it for matters related to this Settlement Agreement, it will notify EPA in writing no later than 60 days prior to the initiation of such suit or claim. Each Settling Party also agrees that, with respect to any suit or claim for contribution brought against it for matters related to this Settlement Agreement, it will notify EPA in writing within 15 days of service of the complaint or claim. In addition, each Settling Party shall notify EPA within 15 days of service or receipt of any Motion for Summary Judgment and within 15 days of receipt of any order from a court setting a case for trial, for matters related to this Settlement Agreement.

35. In any subsequent administrative or judicial proceeding initiated by EPA, the County, or by the United States on behalf of EPA, for injunctive relief, recovery of response costs, or other relief relating to the Site, each Settling Party shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, claim-splitting, or other defenses based on any contention that the claims raised in the subsequent proceeding were or should have been resolved through this Settlement Agreement; provided, however, that nothing in this Paragraph affects the enforceability of the covenant not to sue by EPA and the County set forth in Section VII.

XI. ACCESS TO INFORMATION

36. Each Settling Party may assert business confidentiality claims covering part or all of the documents or information submitted to EPA under this Settlement Agreement to the extent permitted by and in accordance with Section 104(e)(7) of CERCLA, 42 U.S.C. § 9604(e)(7), and 40 C.F.R. § 2.203(b). Documents or information determined to be confidential by EPA will be afforded the protection specified in 40 C.F.R. Part 2, Subpart B. If no claim of confidentiality accompanies documents or information when they are submitted to EPA, or if EPA has notified a Settling Party that the documents or information are not confidential under the standards of Section 104(e)(7) of CERCLA or 40 C.F.R. Part 2, Subpart B, the public may be given access to such documents or information without further notice to that Settling Party.

37. Any Settling Party may assert that certain documents, records and other information are privileged under the attorney-client privilege or any other privilege recognized by federal law. If any Settling Party asserts such a privilege in lieu of providing documents, it shall provide EPA with the following: 1) the title of the document, record, or information; 2) the date of the document, record, or information; 3) the name title, affiliation and address of the author of the document, record, or information; 4) the name and title of each addressee and recipient; 5) a description of the contents of the document, record, or information; and 6) the privilege asserted by the Settling Party. Each Settling Party shall retain all records that it claims to be privileged until the United States has had a reasonable opportunity to dispute the privilege claim and any such dispute has been resolved in the Settling Party's favor. However, no documents, reports or other information created or generated pursuant to the requirements of this Settlement Agreement shall be withheld on the grounds that they are privileged.

38. No claim of confidentiality shall be made with respect to any data, including, but not limited to, all sampling, analytical, monitoring, hydrogeologic, scientific, chemical, or engineering data, or any other documents or information evidencing conditions at or around the Site.

XII. RECORD RETENTION

39. Until two (2) years after the Effective Date, each Settling Party shall preserve and retain all non-identical copies of records and documents (including records or documents in electronic form) now in its possession or control or which come into its possession or control that relate in any manner to the performance of the response action or the liability of any person under CERCLA with respect to the Site, regardless of any corporate retention policy to the contrary.

40. At the conclusion of this document retention period, each Settling Party shall notify EPA at least 90 days prior to the destruction of any such records or documents, and, on request by EPA, the Settling Party shall deliver any such records or documents to EPA. A Settling Party may assert that certain documents, records and other information are privileged under the attorney-client privilege or any other privilege recognized by federal law. If a Settling Party asserts such a privilege, it shall provide EPA with the following: 1) the title of the document, record, or information; 2) the date of the document, record, or information; 3) the name, title, affiliation and address of the author of the document, record, or information; 4) the

name and title of each addressee and recipient; 5) a description of the subject of the document, record, or information; and 6) the privilege asserted by the Settling Party. If a claim of privilege applies only to a portion of a record, the record shall be provided to EPA in redacted form to mask the privileged information only. Each Settling Party shall retain all records that they claim to be privileged until EPA has had a reasonable opportunity to dispute the privilege claim and any such dispute has been resolved in the Settling Party's favor. However, no documents, reports or other information created or generated pursuant to the requirements of this Settlement Agreement shall be withheld on the grounds that they are privileged.

41. Each Settling Party hereby certifies that, to the best of its knowledge and belief, after thorough inquiry, it has not altered, mutilated, discarded, destroyed or otherwise disposed of any records, documents or other information (other than identical copies) relating to its potential liability regarding the Site since notification of potential liability by EPA or the County and that it has fully complied with any and all EPA requests for information pursuant to Sections 104(e) and 122(e) of CERCLA, 42 U.S.C. §§ 9604(e) and 9622(e), and Section 3007 of RCRA, 42 U.S.C. § 6927.

XIII. NOTICES AND SUBMISSIONS

42. Whenever, under the terms of this Settlement Agreement notice is required to be given or a document is required to be sent by one Party to another, such notice shall be directed to the individuals at the addresses specified below, unless those individuals or their successors give notice of a change to the other Parties in writing. Excepting additional notices as may be required in Section V (Payment of Response Costs), written notice as specified herein shall constitute complete satisfaction of any written notice requirement of this Settlement Agreement with respect to EPA, the County and the Settling Parties.

As to EPA:

John Jaros
EPA, Region IX (SFD 9)
75 Hawthorne Street
San Francisco, California 94105

As to the County:

San Bernardino County Consolidated Fire District
Office of the Fire Marshal, Attn: Hazardous Material Divisions
620 South "E" Street
San Bernardino, California 92415

As to Settling Parties:

See Contact Information in Appendix C.

XIV. INTEGRATION

43. This Settlement Agreement constitutes the final, complete and exclusive Administrative Settlement Agreement and understanding among the Parties with respect to the settlement embodied in this Settlement Agreement. The Parties acknowledge that there are no representations, agreements or understandings relating to the settlement other than those expressly contained in this Settlement Agreement. The following appendices are attached to and incorporated into this Agreement: "Appendix A" is a complete list of the Settling Parties and their settlement amounts; "Appendix B" is the EPA electronic transfer information; and "Appendix C" is the Settling Parties' contact information.

XV. PUBLIC COMMENT

44. This Settlement Agreement shall be subject to a public comment period of not less than 30 days pursuant to Section 122(i) of CERCLA, 42 U.S.C. § 9622(i). In accordance with Section 122(i)(3) of CERCLA, EPA may modify or withdraw its consent to this Settlement Agreement if comments received disclose facts or considerations that indicate that this Settlement Agreement is inappropriate, improper or inadequate.

XVI. EFFECTIVE DATE

45. The Effective Date of this Settlement Agreement shall be the date on which EPA issues written notice that the public comment period pursuant to Section XV has closed and that comments received, if any, do not require modification of or EPA withdrawal from this Settlement Agreement.

XVII. ATTORNEY GENERAL APPROVAL

46. The United States Attorney General or his designee has approved the settlement embodied in this Agreement in accordance with Section 122(h)(1) of CERCLA, 42 U.S.C. § 9622(h)(1).

[Signatures on subsequent pages.]

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 19 day of July, 2006.

By: 

DATE: July 19, 2006

Daniel A. Meer
Branch Chief
Response, Planning and Assessment Branch
U.S. Environmental Protection Agency, Region 9

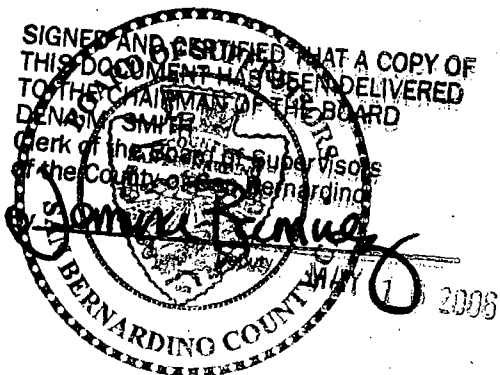
Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 16th day of May, 2006.

By: _____

DATE:

Bill Postmus
Chairman, Board of Supervisors
San Bernardino County Consolidated Fire District



Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 15th day of April, 2006.

For Settling Party, County of Los Angeles

By:

[Signature]

Title:

Principal Deputy County Counsel

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 23rd day of May, 2006.

For Settling Party, Boart Longyear Company

By: Milan S. Crane

Title: Secretary

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 13th day of April, 2006.

For Settling Party, Precision Metal Products Inc.

By: Carolina Salcido

Title: VP/CFO

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 30th day of April, 2006.

For Settling Party, THE DOT PRINTER, INC.

By: 

Title: PRESIDENT

Bruce M. Carson
The Dot Printer, Inc.

13105329467

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 13th day of April, 2006.

For Settling Party, GARDENA SPECIALIZED PROCESSING INC

By:

Dejan Kumaran

Title:

President

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 18th day of April, 2006.

For Settling Party, Pacifi Polymer International, Inc.

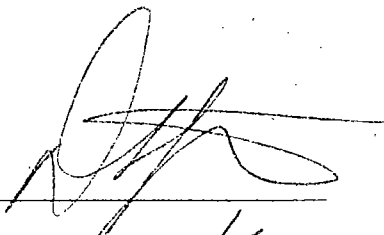
By: Adrian F. van der Capellen

Title: Corporate Counsel

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 16 day of April, 2005~~2006~~.

For Settling Party: EBERHARD

By: DAVE STEFKO 

Title: SENIOR VICE PRESIDENT / COO

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 19 day of April, 2006.

For Settling Party, HITACHI AUTOMOTIVE PRODUCTS (USA), INC.

By: 

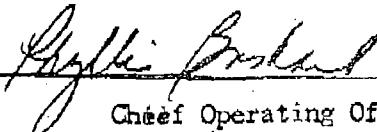
Title: EVP 1 GM

818 902 3974

**Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23**

It is so Agreed this 28 th day of April, 2006.

For Settling Party, Valley Presbyterian Hospital

By: 
Title: Chief Operating Officer

It is so Agreed this 3rd day of May, 2006

For Settling Party, Los Angeles Unified School District

By: 

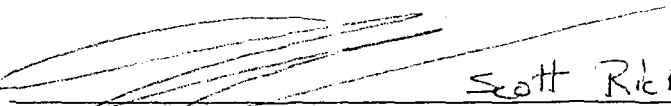
Kevin S. Reed

Title: General Counsel

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 26th day of April, 2006.

For Settling Party, Del Monte foods

By:  Scott Rickman

Title: Ass't Secretary

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 11th May day of 2006, 2006.

For Settling Party. Bumper Boyz

By: Brent J. Laita

Title: Co. owner

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 25th day of May, 2006.

For Settling Party, Chim-Pacific Warehouse Corporation

By: David Boras

Title: CFO

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 11TH day of MAY, 2006.

For Settling Party, BIL THE FENCE STORE, LLC.

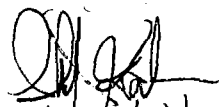
By: 

Title: VICE PRESIDENT

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 14th day of April, 2006.

For Settling Party, International Coatings Company, Inc.

By: 
Stephen Kahane

Title: President

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 13 day of April, 2006.

For Settling Party, Printonix, Inc.

By: [Signature]

Title: V.P. Human Resources

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 14th day of April, 2006.

For Settling Party, Stewart Filmscreen Corp.

By: Mark K. Potvin

Title: Director of Manufacturing

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 11th day of APRIL, ~~2005~~2006.

For Settling Party, Kramer Ink Co.

By: Robert P. Chene

Title: Technical Director

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 3rd day of April, 2006.

For Settling Party, Dynacast Inc.

By: David O. Ledbetter (David O. Ledbetter)

Title: Attorney

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 7th day of APRIL, 2006.

For Settling Party, FLINT INK

By: 

Title: VICE PRESIDENT ADMINISTRATION,
GENERAL COUNSEL & SECRETARY

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 25th day of JULY, 2006.

For Settling Party, USE BESTWAY

By: Kenn D. Paurm

Title: CFO

Administrative Settlement Agreement for the Recovery of Past Costs
U.S. EPA Region 9 CERCLA Docket No. 2005-23

It is so Agreed this 2nd day of June, 2006.

For Settling Party, The Clorox Company d/b/a The Clorox Sales Company

By: Lana Ott

Title: Sr. Vice President, General Counsel & Secretary

Appendix A

Settling Party	Volume (gallons)	EPA Payment Amount (\$)	San Bernardino County Payment Amount (\$)	Total Payment Amount (\$)
Flint Ink Corporation	23,741.98	\$26,282.37	\$9,330.60	\$35,612.97
Printronic Inc	21,231.43	\$23,503.19	\$8,343.95	\$31,847.15
Hitachi Automotive Products (USA), Inc.	10,876.65	\$12,040.45	\$4,274.52	\$16,314.98
Eberhard	10,574.72	\$11,706.22	\$4,155.86	\$15,862.08
International Coatings Co Inc	8,551.60	\$9,466.62	\$3,360.78	\$12,827.40
Precision Metal Products Inc	7,771.57	\$8,603.13	\$3,054.23	\$11,657.36
Stewart Filmscreen Corp	7,683.07	\$8,505.16	\$3,019.45	\$11,524.61
Pacific Polymers International Inc	7,497.42	\$8,299.64	\$2,946.49	\$11,246.13
The Bumper Boyz LLC	7,070.64	\$7,827.20	\$2,778.76	\$10,605.96
Gardena Specialized Processing	6,191.43	\$6,853.91	\$2,433.23	\$9,287.15
Boart Longyear Company	6,048.52	\$6,695.71	\$2,377.07	\$9,072.78
B & L The Fence Store LLC	6,008.08	\$6,650.94	\$2,361.18	\$9,012.12
Los Angeles Unified School District	5,728.53	\$6,341.48	\$2,251.31	\$8,592.80
Chino Pacific Warehouse Corporation and The Clorox Company d/b/a The Clorox Sales Company	4,646.41	\$5,143.58	\$1,826.04	\$6,969.62
Valley Presbyterian Hospital	4,314.01	\$4,775.61	\$1,695.41	\$6,471.02
USF Bestway Inc	4,283.38	\$4,741.70	\$1,683.37	\$6,425.07
Kramer Ink Company	2,731.54	\$5,599.66	\$1,229.19	\$6,828.85
Dynacast Inc	11,368.55	\$23,305.53	\$5,115.85	\$28,421.38
Del Monte Foods, Inc.	7,008.67	\$14,367.77	\$3,153.90	\$17,521.68
The Dot Printer, Inc.	2,036.64	\$4,175.11	\$916.49	\$5,091.60
Los Angeles County Harbor-UCLA Medical Center	6,498.33	\$13,321.58	\$2,924.25	\$16,245.83

Appendix B

EPA Electronic Transfer Information

For electronic fund transfers, please send to the following address:

Mellon Bank
ABA 043000261
Account 9109125
22 Morrow Drive
Pittsburgh PA 15235

SWIFT Address: MELNUS3P (needed only for international transfers)

Appendix C

Settling Parties Contact Information

Contact Name

Settling Party

Milan Crane, Corporate Secretary
Boart Longyear Company
2640 West 1700 South
Salt Lake City, Utah 84104
Phone: 801-972-6430

Boart Longyear Company

George Kumazawa
Gardena Specialized Processing
16520 S. Figueroa Street
Gardena, CA 90248
Phone: 310-532-9430

Gardena Specialized Processing

Juli Mathews
Vice President, Human Resources
Printronix, Inc.
14600 Myford Road
Irvine, CA 92606
Phone: 714-368-2572

Printronix, Inc.

With a copy to:
Jason Retterer, Esq.
Woodruff, Spradlin & Smart
701 South Parker Street, Suite 8000
Orange, CA 92868-4670
Phone: 714-564-2604

Printronix, Inc.

Adriaan F. van der Capellen
Pacific Polymers International, Inc.
12271 Monarch Street
Garden Grove, CA 92841
Phone: 714-898-0025, ext. 112

Pacific Polymers International, Inc.

Murray M. Sinclair, Esq.
Murray M. Sinclair & Associates
11355 W. Olympic Blvd., Suite 400W
Los Angeles, CA 90064
Phone: 310-231-0405

International Coatings Co Inc.

Paul J. Sugarman
Vice President - Finance and CFO
USF Bestway Inc.
17200 N. Perimeter Drive
Scottsdale, AZ 85255
Phone: 480-760-1851

Walter E. Rusinek, Esq.
Procopio Cory Hargreaves & Savitch LLP
530 B Street, Suite 2100
San Diego, CA 92101-4469
Phone: 619-525-3812

Dave Stefko
Senior Vice President / COO
Eberhard Roofing
15220 Raymer Street
Van Nuys, California 91405-1016
Telephone: 818-782-4604

Mark K. Robinson
Director of Manufacturing / Plant Manager
Stewart Filmscreen Corp
1161 West Sepulveda Boulevard
Torrance, California 90502-2797
Phone: 310-345-8571

Precision Metal Products, Inc.
Attn: Cecelia Salcido, VP
850 W. Bradley Ave.
El Cajon, CA 92020
Phone: 619-448-2711, ext. 102

The Clorox Company
Attn: General Counsel
1221 Broadway
Oakland, CA 94612
Phone: 510-271-7000

With a copy to:
David A. Rockman
Eckert Seamans Cherin & Mellott
U.S. Steel Tower
600 Grant Street, 44th Floor
Pittsburgh, PA 15219
Phone 412-566-6000

USF Bestway Inc.

Hitachi Automotive Products (USA), Inc.

Eberhard Roofing

Stewart Filmscreen Corp.

Precision Metal Products, Inc.

The Clorox Company d/b/a
The Clorox Sales Company

The Clorox Company d/b/a
The Clorox Sales Company

David Boras
Chief Financial Officer
Pacific Coast Warehouse Co.
5125 Schaefer Ave.
Chino, Ca. 91710
Phone: 909-591-3501

Chino Pacific Coast Warehouse

Mr. Jay Golida
Associate General Counsel
Los Angeles Unified School District
333 S. Beaudry Ave, 20th Floor
Los Angeles, CA 90017
Phone: 213-241-1808

Los Angeles Unified School District

Beth S. Dorris
Akin Gump Strauss Hauer & Feld LLP
2029 Century Park East, Suite 2400
Los Angeles, California 90067
Phone: 310-728-3244

Flint Ink

Doug Bowlby
Vice President
B & L The Fence Store LLC
8739 Troy Street
Spring Valley, CA 91977
Phone: 619-697-7446

B & L The Fence Store LLC

James Lahana, Esq.
31255 Cedar Valley Drive, Suite 206
Westlake Village, CA 91362
Phone: 818-735-8600

Valley Presbyterian Hospital

Ms. Iris Gaitan
Bumper Boyz LLC
2435 East 54th Street
Los Angeles, CA 90058
Phone: 323-587-8976

Bumper Boyz LLC

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Del Monte Foods, Inc.
One Market at the Landmark
San Francisco, CA 94105
Phone: 415-247-3265

Del Monte Foods, Inc.

David O. Ledbetter
Hunton & Williams LLP
951 East Byrd Street, Riverfront Plaza, East Tower
Richmond, VA 23219
Phone: 804-788-8364

Dynacast Inc.

Robert F. Chase
Kramer Ink Company
9900 Jordan Circle
Santa Fe Springs, CA 9067
Phone: 562-946-8847

Kramer Ink Company

Bruce M. Carson
The Dot Printer, Inc.
2424 McGaw Ave.
Irvine, CA 92614
Phone: 949-474-1100

The Dot Printer, Inc.

Fredrick Pfaeffle
Sr. Deputy County Counsel
Office of the County Counsel
500 W. Temple Street, Room 648
Los Angeles, CA 90012
Phone: 213-974-1901

Los Angeles County Harbor-UCLA
Medical Center